1999

MINISTER'S GUIDELINES

FOR THE ASSESSMENT

OF

FARMLAND

LINEAR PROPERTY

MACHINERY AND EQUIPMENT

RAILWAY

Alberta
Municipal Affairs
1999

Minister's Guidelines for Farm Land, Linear Property, Machinery and Equipment and Railway Assessment

Part 1: General

1 Application

These Guidelines constitute the

(a) 1999 Alberta Farm Land Assessment Minister's Guidelines;

(b) 1999 Alberta Linear Property Assessment Minister's Guidelines; and

(c) 1999 Alberta Machinery and Equipment Minister's Guidelines

(d) 1999 Alberta Railway Assessment Minister's Guidelines;

and are to be used in conjunction with the provisions of

(e) the 1999 Alberta Farm Land Assessment Manual updated, in the case of land used for farming operations, attached as Appendix I

(f) the 1999 Alberta Linear Property Assessment Manual, in the case of linear property in a municipality, attached as Appendix II

(g) the 1999 Alberta Machinery and Equipment Assessment Manual, in the case of machinery and equipment in a municipality, attached as Appendix III.

(h) the 1999 Alberta Railway Assessment Manual, in the case of railway property in a municipality, attached as Appendix IV

2 General Definitions

In these Guidelines,

(a) "Act" means the Municipal Government Act (SA 1994 cM-26.1);

(b) "assessment year" has the meaning given to it in the Regulation;

(c) "Regulation" means the Matters Relating To Assessment and Taxation Regulation(AR 289/99), as amended.

2.1 Ministerial Prescription

For purposes of these Guidelines and section 2(b) of the Regulation, it is hereby prescribed that the cost of all computer software, including both basic software and applications software, intended for or used in connection with the monitoring, control or operation of any assessable property shall be included in the base cost of the property which is otherwise assessable.

Part 2: Assessment of land used for farming operations

3 Definitions

In this Part,

(a) "Agricultural Use Value" means the value of a parcel of land based exclusively on its use for farming operations;

(b) "Assessment Year Modifier" means the factor which is applied to the value of land used for farming operations in order to determine its value in the year in which assessments are prepared for all property in a municipality;

(c) "farming operation" has the meaning given to it in the Regulation;

(d) "field" means a separately valued area within a parcel of land that is used for farming operations.

4 Calculation of agricultural use value

The agricultural use value of land used for farming operations shall be calculated by

(a) using the agricultural use value base rate table in Schedule A of the 1999 Alberta Farm Land Assessment Manual updated to establish the property's agricultural use value base rate;

(b) multiplying the agricultural use value base rate by the appropriate Assessment Year Modifier prescribed in Schedule B of the 1999 Alberta Farm Land Assessment Manual updated to determine the agricultural use value base rate per acre for the assessment year;

(c) multiplying the agricultural use value base rate per acre by a Final Rating Factor prescribed in Schedule C of the 1999 Alberta Farm Land Assessment Manual updated to determine the agricultural use value per acre for the field;

(d) multiplying the agricultural use value per acre for the field by the number of acres in each field to determine the agricultural use value of the field;

(e) adding together the agricultural use value for each field to determine the agricultural use value of the parcel; and

(f) multiplying the agricultural use value of the parcel by the Farm Service Centre Rating factor prescribed in Schedule D of the 1999 Alberta Farm Land Assessment Manual updated.

Part 3: Assessment of linear property in a municipality

5 Definitions

In this Part

(a) "Assessment Year Modifier", means the factor which is applied to the base cost of linear property in order to determine its replacement cost for the year in which assessments are prepared for all property in a municipality;

(b) "base cost" means the cost of an improvement, as prescribed in the 1999 Alberta Linear Property Assessment Manual;

(c) "linear property" has the meaning given to it in the Act;

(d) "replacement cost" means the typical cost to replace an improvement with a modern unit in new condition.

6 Calculation of assessment

The assessed value of linear property in a municipality, excluding wellsite land, shall be calculated by:

(a) establishing the base cost as prescribed in Schedule A of the 1999 Alberta Linear Property Assessment Manual;

(b) multiplying the base cost by the appropriate Assessment Year Modifier prescribed in Schedule B of the 1999 Alberta Linear Property Assessment Manual, to determine the replacement cost in the assessment year;

(c) multiplying the amount determined in clause (b) by the appropriate depreciation factor prescribed in Schedule C of the 1999 Alberta Linear Property Assessment Manual; and

(d) if applicable, adjusting the amount determined in clause (c) for additional depreciation as prescribed in Schedule D of the 1999 Alberta Linear Property Assessment Manual.

7 Assessed value of wellsite land

Notwithstanding section 6, the assessed value of wellsite land shall be the amount prescribed described in Schedule E of the 1999 Alberta Linear Property Assessment Manual.

Part 4: Assessment of machinery and equipment in a municipality.

8 Definitions

In this Part

(a) "Assessment Year Modifier", means the factor which is applied to the base cost of machinery and equipment in order to determine its replacement cost for the year in which assessments are prepared for all property in a municipality;

(b) "base cost" means the cost of an improvement, as prescribed in the 1999 Alberta Machinery and Equipment Assessment Manual;

(c) "machinery and equipment" has the meaning given to it in the Regulation;

(a) "replacement cost" means the typical cost to replace an improvement with a modern unit in new condition

9 Calculation of assessment

The assessed value of machinery and equipment in a municipality shall be calculated by:

(a) establishing the base cost as prescribed in Schedule A of the 1999 Alberta Machinery and Equipment Assessment Manual,

(b) multiplying the base cost by the appropriate Assessment Year Modifier prescribed in Schedule B of the 1999 Alberta Machinery and Equipment Assessment Manual to determine the replacement cost in the assessment year,

(c) multiplying the amount determined in clause (b) by the appropriate depreciation factor prescribed in Schedule C of the 1999 Alberta Machinery and Equipment Assessment Manual and

(d) if applicable, adjusting the amount determined in clause (c) for additional depreciation as prescribed in Schedule D of the 1999 Alberta Machinery and Equipment Assessment Manual.

10 Additional adjustment under the Assessable Property Regulation

In addition to the assessment calculation prescribed in section 9, the assessed value of machinery and equipment shall be further adjusted by a factor as prescribed in section 2(2) of the Assessable Property Regulation (AR 367/94).

Part 4: Assessment of railway in a municipality.

11 Definitions

In this Part

(a) "Assessment Year Modifier", means the factor which is applied to the base cost of railway in order to determine its replacement cost for the year in which assessments are prepared for all property in a municipality;

(b) "base cost" means the cost of railway, as prescribed in the 1999 Alberta Railway Assessment Manual;

(c) "railway" has the meaning given to it in the Act;

12 Calculation of assessment

The assessed value of railway in a municipality shall be calculated by:

(a) establishing the base cost as prescribed in Schedule A of the 1999 Alberta Railway Assessment Manual,

(b) multiplying the base cost by the appropriate Assessment Year Modifier prescribed in Schedule B of the 1999 Alberta Railway Assessment Manual to determine the replacement cost in the assessment year,

(c) multiplying the amount determined in clause (b) by the appropriate annual traffic factor prescribed in Schedule C of the 1999 Alberta Railway Assessment Manual.